

SISLER-MAGGARD ENGINEERING, PLLC

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Email: sme@sislermaggard.com

December 7, 2017

RECEIVED

DEC 1 2 2017

PUBLIC SERVICE COMMISSION

Kentucky Public Service Commission P.O. Box 615 Frankfort, KY 40602

Attn: Jeff Derouen, Executive Director

In re: North Manchester Water Association Rate Increase Via City of Manchester wholesale rate increase

Dear Mr Derouen:

The North Manchester Water Association has been notified that the City of Manchester has requested a water rate increase. (Exhibit 1) As presented, the wholesale purchase rate will increase from \$1.50/1000 gallons to \$2.00/1000 gallons. Therefore, we are requesting a \$0.50/1000 gallons rate increase to keep up with our water purchase increase. (Exhibit 2, 3) We also have a water adjustment procedure in our tariff, we are requesting a \$0.50/1000 gallons increase for the adjustment as well. The current adjustment amount is \$2.00/1000 gallons therefore, the new adjustment amount will \$2.50/1000 gallons. (Exhibit 4)

Please find attached PSC Purchased Water Adjustment Form1 with exhibits 1,2,3,4.

If you have any questions, please feel free to contact me.

Sincerely,

Michael K. Maggard

Vice President

MKM/td

Purchased Water Adjustment Form 1 July 2014

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND WATER ASSOCIATIONS (807 KAR 5:068)

RECEIVED

DEC 1 2 2017

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Name of Utility Date Total Cotober 10, 2017	l .		(00, 12,	210,000)					
Name of Utility October 10, 2017 Date 7361 North Highway 421 Address Manchester KY 40962 City, State, Zip 606 598 5403 Telephone Number Email Address Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary. Supplier(s) Base Rate Changed Rate Changed Rate City of Manchester 1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit Number 1 2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filling). September 2017 From October 2016 September 2017 Ithrough Ithr									
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	sheet if neces	sary.							

Supplier(s)	Gallons Purchased during 12 month period				
City of Manchester	187,661,400				
TOTAL PURCHASES	187,661,400				
4. Total gallons sold for the 12 month period	187,661,400				
5. Increased water cost The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit					
6. Purchased water adjustment factor The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold. Note: The purchased water adjustment factor is added to each thousand gallons sold. If the					
minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. 7. A schedule listing the current and proposed rates is attached as Exhibit Number 2					
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit Number 3					
9. Proposed effective date January 1, 2018					
Steve Davis					
Signature of Utility Officer					
President Title					

Marchester Rate Ordinance

2

NMWA Proposed Rates

3

NMNA meeting Minutes

4

NMWA Water Loss Adjustment

5

EXHIBIT 1 AN ORDINANCE OF THE CITY OF MANACHESTER

Ordinance Number: 2017.013

AN ORDINANCE AMENDING THE RATES FOR THE USE OF THE MUNICIPAL WATER WORKS SYSTEM OF THE CITY OF MANCHESTER

WHEREAS, it has been determined that mandatory State regulations, and the rising costs to maintain the City of Manchester's existing water system, and to provide continued water quality, necessary flow, and pressure necessitates the City raise water rates.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF MANCHESTER that the water rate ordinance of the City of Manchester by and hereby amended to the following:

SECTION 1.

North Manchester Water Association Water Rates

A 11	
$\Delta \Pi$	usage
/ MII	usuze

\$2.00 per 1,000 gallons

SECTION 2.

This Ordinance	shall	be in	full	force	and	effect	upon	its	passage,	approval	and
publication in ac	corda	nce w	ith a	pplica	ble la	aw.					

Received 1 st reading <u>09.18.17</u>	
Received 2 nd reading <u>09.25.2017</u>	
Publication date: 09.27.2017	
Signed this25_ day of September, 2017	
James Garrison, Mayor	Mamie Smith, City Clerk

EXHIBIT 2

PROPOSED RATE SCHEDULE

NORTH MANCHESTER WATER ASSOCIATION

WX21051202

Waterline Extension and Line upgrade Project

PROPOSED RATE SCHEDULE - 1/1/2018

GALLONAGE BLOCK FOR EACH METER SIZE			ONTHLY RATE FOR EA	RATE	
5/8 inch 3	x 3/4 inch Meter		(PROPOSED)		(EXISTING)
0,0 111011					
First	2,000 gallons	\$	20.80 (Minimum Bill)	\$	19.80 (Minimum Bill)
All Over	2,000 gallons	\$	5.82 per 1,000 gallons	\$	5.32 per 1,000 gallons
1 inch Me	<u>eter</u>				
First	5,000 gallons	\$,	\$	35.71 (Minimum Bill)
All Over	5,000 gallons	\$	5.82 per 1,000 gallons	\$	5.32 per 1,000 gallons
2 inch Meter					
First	15,000 gallons	\$	89.96 (Minimum Bill)	\$	88.79 (Minimum Bill)
	_	\$	5.82 per 1,000 gallons	\$	5.32 per 1,000 gallons
			¥ - 1		
3 inch Meter					
First	30,000 gallons	\$	169.76 (Minimum Bill)	\$	168.42 (Minimum Bill)
All Over	30,000 gallons	\$	5.82 per 1,000 gallons	\$	5.32 per 1,000 gallons

EXHIBIT 3

North Manchester Water Association, Inc.

7361 North Highway 421 Manchester, KY 40962 Phone: (606) 598-5403

Regular Scheduled Meeting

August 8, 2017

Members Present: Bobby Wolfe, Jimmy Lewis, Steve Davis, Luke Mathis, Brian Hooker, and Johnny Johnson

Meeting was called to order by Johnny Johnson.

New Business:

Mike White, Water Superintendent for the City of Manchester was in attendance to present a rate increase proposal for water purchased from the City of Manchester. Rate increase proposal was for \$0.50 per thousand gallons making the total purchase price from the City to \$2.00 per thousand gallons, from the present price of \$1.50 per thousand.

Discussion followed.

Luke Mathis made a motion to accept rate increase proposal

Johnny Johnson seconded motion.

Board Voted to except proposal even though NMWA has a contact until 2043 at the rate \$1.50. Upon approval the City of Manchester was contacted that NMWA had agreed to the rate increase.

Motion made by Luke Mathis, Seconded by Brian Hooker to allow the president to sign all grant documents. All present voted in favor to allow the president to sign all grant documents on behalf of North Manchester Water Association.

Old business read

Meeting moved into Executive Session.

Meeting adjourned at 9PM.

EXHIBIT 4

	FOR
	P.S.C
	Sheet No
NORTH MANCHESTER WATER ASSOCIATION	Cancelling P.S.C. Ky. No
Rules and F	Regulations
Addressing the issue of dealing with the when he or she has had a water leak in their line for an adjustment, we first take the customer's a which they are charged at our standard rates for amount of water above their average due to a le per thousand plus (utility) tax that we are require	verage usage of water for the past 12 months of whatever size meter that they have, then the ak, we only charge an adjusted rate of \$2.50
To justify the adjustment amount (\$2.50 at a rate of \$2.00 per thousand plus we must coapproximately \$0.10 per thousand also we take the paper work required to adjust a customer's but the cust	into consideration the man hours involved and
This procedure of bill adjustments of wat North Manchester Water Association's Board of monthly meeting to be included in our Rules and	
DATE OF ISSUE	DATE EFFECTIVE
ISSUED BY	•
Name of Office Title	Address